

22 March 1956

MEMORANDUM FOR: Deputy Director (Support)

SUBJECT: CIA Legislation

1. The discussion at this morning's meeting centered upon three salient policy points:

- a. commuted per diem;
- b. medical care for dependents;
- c. allowances and other benefits for employees in the territories and possessions.

2. Commuted per diem. The Bureau of the Budget has told us that the Department of State has agreed to delete this authority from their proposed legislation. The authority was requested originally because it was thought that payment of per diem for overseas travel on a commuted basis would reduce the amount of paperwork required in computing per diem allowances. After further consideration, it was discovered that the administrative burden in the proposed procedure would actually be greater than in the procedure now authorized by law. The Bureau of the Budget has agreed to revise the Standardized Government Travel Regulations so as to make computation of per diem allowances simpler and to thus attain the objective sought in the original proposal for commuted per diem. It has been agreed that this Agency should delete its request for legal authority to pay per diem on a commuted basis.

3. Medical benefits. The Bureau of the Budget and the Department of State have agreed to compromise legislation on medical benefits for dependents of Foreign Service personnel. Budget has indicated support for medical care for dependents in foreign areas which will help to close the gap between initial medical costs which would be paid by the employee and that portion of major medical costs which would be covered in the proposed amendment to the "Eisenhower Insurance" bill. It was agreed that our best chance of obtaining this authority lies in accepting the compromise legislation. However, it was tentatively decided that we should continue to press for extension of our authority to the territories and possessions.

4. Territories and possessions. The Bureau of the Budget has indicated informally, but clearly, that they will oppose our request for authority to provide employee benefits for those in the territories and possessions equivalent to benefits now payable to those in foreign areas. It was tentatively decided that, in spite of Budget and probable Congressional opposition, this authority is important enough to the Agency that we should continue to press for it.

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Office of General Counsel

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